

EXECUTIVE APPROVALS

NAME	DATE
AME	
CRUSHY	
ENNETT	11/17/99 4/17/00 CONFIDENTIAL H.S. CODE
ARMAN	11/20/99 4/26/99
MARTIN	
MURPHY	

98-77-38

Oklahoma City

Medical Imaging Center of Oklahoma

Lecia Pate

RECEIVED	NAME	DATE APPROVED
	RVP	11/23/99
	SHARON FAULKNER	Sharon Faulkner 4/19/99
	SVP/GVP - DIAGNOSTICS	1/24/00 4/16/99
	MANAGED CARE	1/20/99
	TEAM LEADER	1/16/99 3/14/99
	DEVELOPMENT	Lecia Pate 4/14/99 4/19/99

DUUE DILIGENCE CHECKLIST

NARRATIVE EQUIPMENT LIST
DUUE DILIGENCE PROFORMA
WEEK UPDATE
STAFFING PLAN
BUILDING/LH PLANS
LEASE REVIEWED

New Store
New Market

EXHIBIT

HEALTHSOUTH Rehabilitation Corporation

Wire Transfer Request

Operating Unit: CORP. DEV. Date Requested: 5/24/99
Requested By: Chris Ransom for Lecia Pate Date/Time Needed: 5/24/99

Purpose of Wire: Acquisition of Medical Imaging Center of Oklahoma

Wire Amount: \$2,400,000 EQ. \$525,000
N/C
GW \$1,875,000
Total \$2,400,000

Wire Instructions:

Bank Name:

Bank City, State:

ABA Number:

Account Name:

Address of Person/Business on acct

Account Number:

Further Credit to:

Account Number:

Reference:

Notification:

****Items in bold must be filled in****

Approval: Operating Unit:

Mike Martin:
Treasury

Please forward completed request forms to Catherine Noojin by 10:30 AM on the date that the wire is needed.

Medical Imaging Center of Oklahoma
Oklahoma City, OK
Executive Summary

Purchase Price Summary:		Start-up Capital Requirements	Cash Paid to Seller
Ownership %	100%		
Goodwill Up Front		N/A	1,875,000
Goodwill Over Time		N/A	200,000
Non Compete Up Front		N/A	0
Non Compete Over Time		N/A	500,000
Accounts Receivable		N/A	0
Working Capital		400,000	N/A
Land		0	0
Leaseholds		0	0
Building		0	0
Equipment		0	525,000
Assumption of Seller's A/P		N/A	0
Total Consideration		400,000	3,100,000
Goodwill Over Time		N/A	200,000
Non Compete Over Time		N/A	500,000
Assumption of Current Debt		N/A	0
Cash Paid at Closing		400,000	2,400,000

Profile Info:		Statistics Per Procedure:	YTD Annualized	Projected Year 1
Building Square Footage	5,600	Purchase Price/Proc	85,974	
Modalities: (Circle Available Mods)		Gross Revenue/Proc	306.01	418.25
MRI CT MM US XR		Net Revenue/Proc	306.01	298.21
Procedures Per Day	41	Salary/Proc	40.94	35.67
Procedures Per Year (YTD Annualiz	10,340	Total Expense/Proc	177.28	185.24
Projected Procedures Per Day	42			

Market Info:	
<u>HS Market</u> -	
HS Mkt Code	
HS Mkt Description	
Is this a new HS Mkt for Diagnostics?	
If no, please attach schedule of all Diagnostic centers in that market.	
<u>MSA</u> -	
MSA	Oklahoma City, OK
Is this a new MSA for Diagnostics?	
If yes, please attach schedule of at least 3 existing HS comparable Diagnostics centers.	

	<u>Annized</u>	<u>Year 1</u>	<u>Gross Rev</u>	<u>Net Rev</u>
Gross Revenue	3,164,213	4,513,898	100%	140%
Contractual Adjustments	0	1,295,489	29%	40%
Net Revenue	3,164,213	3,218,409	71%	100%
EBITDA (Cash Flow)	1,442,637	1,594,537	35%	50%
EBIT	1,331,119	1,219,220	27%	38%
Net Income	1,275,686	982,032	22%	31%

	<u>3 Yr Avg</u>	<u>Multiples</u>	
	<u>Return</u>	<u>ADJ YTD</u>	<u>Projected</u>
	<u>Net Inv</u>	<u>Annized</u>	<u>YR 1</u>
Net Revenue		0.98	0.96
EBITDA	41.75%	2.15	1.94
EBIT	32.17%	2.33	2.54
Net Income - ROA	26.71%	2.43	3.16
Cash Flow	20.00%		
Payback Period (Years)	2.45		

INCOME STATEMENT		HISTORICAL				Annualized	
		PY 1997	YTD 1998	Aniza	YTD 1998	Adjustments	Adjusted
SCANS PER DAY	# of mos:	12					
MRI		9.94	9.94				9.94
CT		3.19	3.19				3.19
Other Procedures		27.58	27.58				27.58
Total Procedures		40.71	40.71				40.71
REVENUES	**684,383 in adjustment col. is professional revenue running through MRI, Inc.						
Gross Revenue			2,479,830		2,479,830	684,383	3,154,213
Adjustments to Revenue							
Contractuals							
Bad Debt							
Net Revenue			2,479,830		2,479,830	684,383	3,154,213
EXPENSES	**See staffing list for reduction in staffing cost						
Salaries & Wages		537,781	537,781	(114,402)			423,379
Taxes & Benefits		74,521	74,521				74,521
Contract Labor		10,327	10,327				10,327
Total Salary Related Expense		622,530	622,530	(114,402)			508,228
(*\$75,000 - pulled out in billing salaries down to the billing line item.)							
Professional (Rad) Fees		144,132	144,132	330,500			474,632
Billing and Collection		86	86	75,000			75,086
Contract Services							
Medical Supplies		200,849	200,849				200,849
Utilities (Includes Telephone)		45,358	45,358				45,358
Other Variable		205,149	205,149				205,149
Total Variable Expense		595,574	595,574	405,300			1,001,074
Equipment Rental		82,988	82,988	(82,988)			
Lease/Rent Expense - Bldg		45,120	45,120				45,120
Equip R&M & Serv Cont		121,000	121,000				121,000
Depreciation & Amort LHI		106,651	106,651				106,651
Amortization of Intangibles		4,867	4,867				4,867
Insurance		25,239	25,239				25,239
Advertising/Marketing		20,915	20,915				20,915
Interest		55,433	55,433				55,433
Management Fees		188,124	188,124	(188,124)			
Total Fixed Expense		650,338	650,338	(271,112)			379,226
Total Expenses		1,868,541	1,868,541	19,986			1,888,528
Net Inc before Mgmt Fees		611,289	611,289	564,397			1,275,686
Management Fee							
PARTNERSHIP INCOME		611,289	611,289	564,397			1,275,686
Income Tax							
Other Income (Expense)							
TOTAL INCOME		611,289	611,289	564,397			1,275,686
ASSUMPTIONS							
New LPs added							
Purchase price/unit							
Revenue Assumptions -	Current	Year 1	Year 2	Year 3	Year 4	Year 5	
Volume Increase for CT and Other							
MR Scans/Day	10	10	11	12	12	12	
CT Scans/Day	3	4	5	6	6	6	
Other Procedures/Day	28	28	30	33	35	37	
Total Procedures/Day	41	42	47	52	54	56	
Fee Increase							
MR Gross Rev/Scans	973	973	973	973	973	973	
CT Gross Rev/Scans	525	525	525	525	525	525	
Annual Total Other Mods	\$203	\$203	\$203	\$203	\$203	\$203	
Avg Contractual Adjust	28.50%	28.70%	29.50%	30.50%	31.50%	32.00%	
MR Net Rev/Scans	696	694	686	676	667	652	
CT Net Rev/Scans	375	374	370	365	360	357	
Total Other Mods	145	145	143	141	139	135	
Prof / Rad Fees	15.00%	16.00%	16.00%	15.00%	15.00%	15.00%	
Billing Fees	2.37%	3.00%	3.00%	3.00%	3.00%	3.00%	
Mgt Fees (% of Net Rev)							
Var Cost/Procedure		Year 2	Year 3	Year 4	Year 5		

Tulsa City, OK - Medical Imaging Center of Oklahoma - MICO

Other Variable from Income Statement Period Ending 12/31/98

Accounting Fees	\$25,349	-\$16,500	\$8,849
Auto	\$2,100		\$2,100
Bank Charges	\$5,501		\$5,501
Computer Expenses	\$12,565		\$12,565
Consulting	\$2,345	-\$2,345	\$0
Continuing Education	\$2,592		\$2,592
Contribution	\$1,866		\$1,866
Dues & Subscriptions	\$13,626		\$13,626
Filing Fees	\$2,822		\$2,822
Janitorial Services	\$4,200		\$4,200
Legal Fees	\$6,828		\$6,828
Office Supplies	\$21,686		\$21,686
Other Expenses	\$67		\$67
Postage	\$18,031		\$18,031
Plant Rental Expense	\$135		\$135
Permits/Fees	\$28		\$28
Bldg Repairs & Maintenance	\$59,725	-\$32,000	\$27,725
Security	\$126		\$126
Storage Off Site	\$4,246		\$4,246
Taxes - Other	\$18,084		\$18,084
Travel	\$2,907		\$2,907
Visa/Mastercard	\$322		\$322
Total Other Variable	\$205,149	-\$50,845	\$154,304

ROOFING & PLUMBING
REPAIRS - Non RECURRING

3/2/07

PROJECT PROFILE

Project Number: 9801051628

Is this Project a component of an IMP? Yes No

If Yes, select IMP:

Type of File*	Diagnostic - Blue		Type of Project*	Acquisition	
Product Line	DX		HS Facility Number	(format ex 040123-00)	
Center Name	Medical Imaging Center of Oklahoma		Primary Center Contact: Salutation *	Dr.	
Main Address	1145 SW 74th Street		First Name	Tom	
Address (2nd Line)	Bldg. A		Last Name	Woolard	
City	Oklahoma City		Title		
State *	OK		County	County	
Zip	73139		Phone	(800) 322-6213	
MSA	Oklahoma City OK MSA		Fax	(405) 631-2400	
Legal Name:			Other Phone Numbers	(405) 631-6426(405) 231-9323 Dr. Woolard's Pager	
Tax ID Number:			Other Center Contacts	Dr. Clark Ward	
Number of Locations *	1		Type of Facility *	Main	
Hrs of Operation	Normal Business Operations		Number of Square Feet:	0	
Dollar per Squre Foot:				0.00	
Status *	07. Documents	Closing(Start) Date Expiration Date	04/21/99	Mkt Status *	New Store / Same Market
Corp Dev Contact *	Lecia Pate		Ops Contact *	David Jayne	MCare Contact *
Team Leader*	Melanie Fisher		Attorney Contact *	David Hughes	Documents Out
CON Required?	No	Status:			

SUMMARY OF CAPITALIZATION EXPENDITURES:

Leasehold Improvements:	220,000
Equipment:	1,147,870

ACQUISITION: SUMMARY OF OFFER:

Type of Purchase *	Asset	
Goodwill	2,075,000	\$1,875,000 at closing \$200,000 over 3 years
Non Compete	500,000	\$0 at closing \$500,000 over 5 years
A/R	0	Earnout Terms: Seller Retaining A/R: Added \$400,000 of Working Capital
Equipment	525,000	Limited Partnership: Yes What %: 6.56%
TOTAL	3,100,000	COMMENTS:

RETURN:

Current Cash Flow	\$1,442,637.00	
Cash Flow Multiple	2.15	If > 4, explain:
Return on Investment - ROA	26.71%	
EBIT return	32.17%	If < 25% for IP, 30% for OP, or 35% for all other, explain:
EBITDA return	41.75%	If < 35% for IP, 35% for OP, or 40% for all other, explain:
\$ Purchase Price per visit	\$85,974.00	

PROJECT PROFILE

Project Number: #001051620

Is this Project a component of an IMP?

If Yes, select IMP:

Type of File *	Diagnostic - Blue		Type of Project *	Acquisition	
Product Line	DX		HS Facility Number	(format ex: 040123-00)	
Center Name	Medical Imaging Center of Oklahoma		Primary Center Contact:	Dr. Salutation *	
Main Address	1145 SW 74th Street		First Name	Tom	
Address (2nd Line)	Bldg. A		Last Name	Woolard	
City	Oklahoma City		Title		
State *	OK		County	County	
Zip	73139		Phone	(800) 322-6213	
MSA	Oklahoma City OK MSA		Fax	(405) 631-2400	
Legal Name:			Other Phone Numbers	(405) 631-6426/(405) 231-9323	
Tax ID Number:			Dr. Woolard's Pager		
Number of Locations *	1		Other Center Contacts	Dr. Clark Ward	
Hrs of Operation	Normal Business Operations		Type of Facility *	Main	
Status *	07. Documents	Closing(Start) Date	04/21/99	Dollar per Square Feet:	0.00
Corp Dev Contact *	Lecia Pace	Expiration Date		Mkt Status *	New Store / Same Market
Team Leader *	Melanie Fisher	Ops Contact *	David Jayne	McCare Contact *	
CON	No	Status:	David Hughes	Documents Out	
Required?					
SUMMARY OF CAPITALIZATION EXPENDITURES:					
Leasehold Improvements:	200,000				
Equipment:	525,000				
ACQUISITION: SUMMARY OF OFFER:					
Type of Purchase *	Asset				
Goodwill	2,075,000	\$1,875,000 at closing \$200,000 over 3 years			
Non Compete	500,000	\$0 at closing \$500,000 over 5 years			
A/R	0	Earnout Terms: Seller Retaining A/R: Add \$400,000 of Working Capital			
Equipment	525,000	Limited Partnership: Yes What %: 6.56%			
TOTAL	3,100,000	COMMENTS:			
RETURN:					
	Current Cash Flow	\$1,442,637.00			
	Cash Flow Multiple	2.15		If > 4, explain:	
	Return on Investment - ROA	27.84%		If < 25% for IP, 30% for OP, or 35% for all other.	
	EBIT return	33.44%		explain:	
	EBITDA return	42.86%		If < 35% for IP, 35% for OP, or 40% for all other, explain:	

321-180
321-180
321-180
321-180

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 MRI OF OKLAHOMA, LIMITED PARTNERSHIP
 REVENUE & EXPENSES - INCOME TAX BASIS
 FOR THE PERIOD ENDED DECEMBER 31, 1993

Year to Date
 12-31-93

REVENUE
 FEES
 REFUNDS
 INTEREST INCOME
 OTHER

TOTAL REVENUE

EXPENSES
 ACCOUNTING FEES
 ADVERTISING
 AMORTIZATION EXP
 AUTO
 BANK CHARGES
 COLLECTION EXP
 COMPUTER EXPENSE
 CONSULTING
 CHEMICALS
 CONTINUING EDUCATION
 CONTRACT LABOR
 CONTRIBUTION
 COURIER EXP
 DEPRECIATION
 DUES & SUBSCRIPTIONS
 EMPLOYEE BENEFITS
 EMPLOYEES INS.
 ENTERTAINMENT & MEALS
 FILING FEES
 EQUIP LEASE
 FILM
 CONTRAST MEDIA
 INTEREST
 INSURANCE
 JANITORIAL SERVICES
 LEGAL FEES
 MAGNET MAINTENANCE
 MANAGEMENT FEES
 CYROGENS
 MEDICAL SUPPLIES
 MEDICAL SERVICES
 OFFICE SALARIES
 OFFICE SUPPLIES
 OTHER EXPENSES
 POSTAGE
 PLANT RENTAL EXP
 PERMITS/FEES
 PROMOTIONS

PROFESSIONAL FEES COLLECTED IN
 1993
 3,169,213.60 - TOTAL NET REVENUE

AV	25,349.31	1.0
MLH/ADR.	8,952.07	0.4
	4,866.55	0.2
AV	2,100.00	0.1
AV	5,501.04	0.2
BILL+	85.50	0.0
AV	12,565.12	0.5
AV	2,345.00	0.1
medsup.	7,368.18	0.3
AV	2,592.30	0.1
CL	6,140.70	0.2
AV	1,865.50	0.1
CL	4,187.25	0.2
AV	106,651.32	4.3
AV	13,625.91	0.5
AV	4,281.29	0.2
AV	25,506.95	1.0
AV	7,525.57	0.3
AV	2,822.00	0.1
EL	82,989.43	3.3
MS	103,258.42	4.2
MS	24,521.06	1.0
EL	55,433.28	2.2
MS	25,238.92	1.0
AV	4,200.00	0.2
AV	6,827.55	0.3
EL	121,000.00	4.9
MS	188,123.58	7.6
MS	35,750.00	1.4
MS	26,216.69	1.1
MS	3,572.75	0.1
MS	537,781.06	21.7
AV	21,689.85	0.9
AV	66.95	0.0
AV	18,030.61	0.7
AV	135.00	0.0
AV	27.50	0.0
AV	4,437.75	0.2

SEE ACCOMPANYING ACCOUNTANT'S REPORT

MRI OF OKLAHOMA, LIMITED PARTNERSHIP
 REVENUE & EXPENSES - INCOME TAX BASIS
 FOR THE PERIOD ENDED DECEMBER 31, 1998

RAD FEES
 RENT
 REPAIRS & MAINTENANCE
 SECURITY EXP
 STORAGE OFF SITE
 TAXES-PAYROLL
 TAXES-OTHER
 TELEPHONE
 TRAVEL
 UTILITIES
 VISA/MSTRCD
 X-RAY SUPPLIES
 TOTAL EXPENSES
 NET INCOME

Year to Date
 12-31-98

27	144,132.07	5.9
Rnt	45,120.00	1.3
CV	59,724.51	2.4
IV	126.00	0.0
CV	4,246.11	0.2
TD	44,733.25	1.8
IV	18,083.78	0.7
WHL	19,432.80	0.8
IV	2,906.190	0.1
WHL	25,925.56	1.0
CV	321.63	0.0
MS	162.20	0.0
	1,868,541.48	75.3
	\$ 611,288.87	24.7

SEE ACCOMPANYING ACCOUNTANT'S REPORT

September	79	\$	13,493	\$	-	\$	171
October	109	\$	17,294	\$	-	\$	159
November	103	\$	18,481	\$	-	\$	179
December	107	\$	18,743	\$	-	\$	175
Total	1,258	\$	225,594	\$	-	\$	179
AVERAGE	105	\$	18,799	\$	-	\$	179
Mammography							
Month	# of Scans		Revenue		Collections		Rev/Scan
January	410	\$	33,366	\$	-	\$	81
February	434	\$	35,538	\$	-	\$	82
March	421	\$	34,992	\$	-	\$	83
April	449	\$	37,290	\$	-	\$	83
May	370	\$	30,236	\$	-	\$	82
June	429	\$	35,646	\$	-	\$	83
July	374	\$	30,778	\$	-	\$	82
August	319	\$	26,220	\$	-	\$	82
September	458	\$	36,911	\$	-	\$	81
October	348	\$	44,534	\$	-	\$	81
November	449	\$	36,729	\$	-	\$	82
December	459	\$	38,247	\$	-	\$	83
Total	5,120	\$	420,538	\$	-	\$	82
AVERAGE	427	\$	35,045	\$	-	\$	82
X-Ray							
Month	# of Scans		Revenue		Collections		Rev/Scan
January	43	\$	4,139	\$	-	\$	96
February	40	\$	3,364	\$	-	\$	84
March	81	\$	6,621	\$	-	\$	82
April	79	\$	6,734	\$	-	\$	85
May	46	\$	3,223	\$	-	\$	70
June	47	\$	3,728	\$	-	\$	79
July	31	\$	2,147	\$	-	\$	69
August	28	\$	2,009	\$	-	\$	72
September	44	\$	3,955	\$	-	\$	90
October	79	\$	3,364	\$	-	\$	45
November	28	\$	2,600	\$	-	\$	93
December	36	\$	1,763	\$	-	\$	68
Total	572	\$	43,844	\$	-	\$	77
AVERAGE	48	\$	3,654	\$	-	\$	77
TOTAL							
Month	# of Scans		Revenue		Collections		Rev/Scan
January	873	\$	307,373	\$	216,556	\$	353
February	889	\$	315,957	\$	259,717	\$	355
March	902	\$	317,241	\$	245,516	\$	352
April	936	\$	316,333	\$	187,394	\$	338
May	776	\$	299,335	\$	234,824	\$	386
June	853	\$	290,493	\$	196,804	\$	341
July	767	\$	269,854	\$	229,700	\$	352
August	717	\$	272,659	\$	168,795	\$	380
September	866	\$	291,670	\$	136,220	\$	337
October	1,020	\$	295,313	\$	179,177	\$	290
November	828	\$	299,425	\$	204,415	\$	362
December	855	\$	295,950	\$	183,672	\$	346
Total	10,282	\$	3,572,082	\$	2,442,789	\$	347
AVERAGE	857	\$	297,673	\$	203,566	\$	347

Referring Physicians:

Name	Specialty	# of Referrals	% of Referrals	Type of Referral	% Ownership

A. Cruse, D.O.	Ortho	-	\$ 130,179	0%	0	0%
G. Smith, D.O.	Ortho	-	\$ 124,705	0%	0	0%
Tinker Air Force	Mix	-	\$ 112,145	0%	0	0%
R. Langerman, O.D.	Ortho	-	\$ 75,342	0%	0	0%
T. McDermott, D.O.	ER Med	-	\$ 67,308	0%	0	0%
H. Scrudge, M.D.	Ortho	-	\$ 66,192	0%	0	0%
G.D. Casper, M.D.	Ortho	-	\$ 29,923	0%	0	0%
T. Ewing, D.O.	Ortho	-	\$ 50,621	0%	0	0%
J. Rosacker, M.D.	Ortho	-	\$ 28,526	0%	0	0%
J. Minter, D.O.	Ortho	-	\$ 49,614	0%	0	0%

COLLECTION % ANALYSIS

Month	Current	6 Month	9 Month	Net Revenue	\$ 228
March	80%			Per Scan	
April	59%				
May	74%				
June	62%				
July	77%				
August	58%	68%			
September	50%	64%			
October	66%	65%			
November	70%	64%	64%		
Total	66%	65%	65%		

+ 70.16: Professional Fee Net
 298.16 INCOME (SEE DUE DILIGENCE & PROF. FEE)
 TOTAL NET REVENUE

Comments:

ACCOUNTS RECEIVABLE ANALYSIS:

Month	Dollars	Percent
Current	\$ 295,930	31%
31-60	\$ 71,225	8%
61-90	\$ 58,844	6%
91-120	\$ 35,633	4%
121-150	\$ 483,278	51%
151+	\$ -	0%
Total	\$ 944,930	100%
Credit Balance	\$ -	
Debit Balance A.R.	\$ 944,930	

A/R VALUATION:

Debit Balance A/R	\$ 944,930
Discount Rate	35.32%
Reserve For Contractual	\$ 335,395
Account 121-150 Days	\$ 483,278
Collection Rate	65%
Cash Value 121-150 Days	\$ 316,484
Bad Debt Percentage	80%
Reserve For Bad Debt	\$ 253,187
Account >151 Days	\$ -
Collection Rate	65%
Cash Value >151 Days	\$ -
Bad Debt Percentage	90%
Reserve For Bad Debt	\$ -

Type of Valuation Used:	Discount /Aging Method	XXXXXX
	Net A/R Days Method	

ACCTS. RECEIVABLE SUMMARY VALUATION

(Discount/Aging Method)	\$ 944,930
Gross Accounts Receivable	\$ 944,930
Reserve for Contractuals	\$ 335,593
Reserve for Bad Debt 120-150	\$ 253,187
Reserve for Bad Debt 150+	\$ -
Credit Balances	\$ -
A/R Cash Value	\$ 356,148

CONTRACTUAL ADJUSTMENT PERCENTAGE

FINANCIAL CLASS	PERCENT OF REVENUE	F.S.C. DISCOUNT RATE	PROFORMA PERCENT OF REVENUE	YEAR 1	YEAR 2	YEAR 3
				PROFORMA DISCOUNT %	PROFORMA DISCOUNT %	PROFORMA DISCOUNT %
Medicare	7%	48%	7%	3.36%	3%	4%
Work Comp	16%	30%	16%	4.71%	5%	5%
Commercial	4%	0%	4%	0.00%	0%	0%
Medicaid	3%	100%	3%	3.00%	3%	3%
Other	0%	0%	0%	0.00%	0%	0%
HMO / PPO	53%	30%	53%	15.64%	17%	19%
Blue Cross	7%	30%	7%	2.07%	2%	2%
Atty Liab	7%	30%	7%	2.07%	2%	2%
Self Pay	1%	0%	1%	0.00%	0%	0%
Capitation	2%	30%	2%	0.59%	1%	1%
Bad Debt	0%	0%	0%	3.00%	3%	3%
Total	100.00%		100.00%	34%	36%	38%

CURRENT ACQUISITION REVENUE PER SCAN	\$ 347
CURRENT ACQUISITION NET REVENUE PER SCAN	\$ 228
PROPOSED GROSS REVENUE PER SCAN	\$ 347
PROPOSED NET REVENUE PER SCAN	\$ 223
PROPOSED CHANGE IN NET REVENUE PER SCAN	0%
REVENUE MIX OBTAINED FROM:	
XXXXXXXXXXXX COMPUTER GENERATED REPORT	
ESTIMATED BY FACILITY STAFF	
OTHER (SPECIFY)	

Assignability of HMO/PPO Contracts

Payor	Assignment	Comments
Blue Lincs	0	Contract has a capitated agreement for Mammography only
Blue Lincs	0	HMO contract covers Diagnostic Rad., Breast US.
	0	Diag. Mammography & MRI
CompMed	Yes	Written Consent
Prudential	Yes	Written Consent
HealthChoice	????	No assignability clause
Aetna	????	No assignability clause
Foundation	????	No assignability clause

OTHER COMMENTS:

Other Income:

Professional Fees for MICO

Month	Scans	Charges	Payments
January	585	\$ 56,036	\$ 72,399
February	467	\$ 74,614	\$ 37,709
March	502	\$ 64,160	\$ 61,161
April	587	\$ 68,862	\$ 57,071
May	622	\$ 62,206	\$ 54,619
June	486	\$ 57,221	\$ 56,983
July	430	\$ 55,862	\$ 54,564
August	472	\$ 55,824	\$ 44,868
September	471	\$ 57,858	\$ 51,749
October	450	\$ 60,137	\$ 43,568
November	392	\$ 61,018	\$ 54,993
December	1514	\$ 73,787	\$ 44,700
Total	6978	\$ 747,585	\$ 684,383

Collection Rate 0.65487

Gross Rev/Scan \$ 107.13 *Gross revenue divided by total scans

Net Rev/Scan \$ 70.16 *Gross revenue per scan multiplied collection rate

Note the revenues demonstrated in the spreadsheet are not included in the above statistical data; therefore, with the combination of both spreadsheets the sum is \$298/scan.

Month	Net Collections	Professional Fees	Bank Statements
January	\$ 216,556	\$ 72,399.04	\$ 273,744.91
February	\$ 259,717	\$ 87,708.64	\$ 303,476.47
March	\$ 245,516	\$ 61,161.36	\$ 297,777.53
April	\$ 187,394	\$ 57,071.37	\$ 238,372.14
May	\$ 234,824	\$ 54,619.19	\$ 273,216.50
June	\$ 196,804	\$ 56,983.28	\$ 244,710.01
July	\$ 229,700	\$ 54,564.04	\$ 275,266.22
August	\$ 168,795	\$ 44,868.03	\$ 207,779.73
September	\$ 136,220	\$ 51,748.77	\$ 183,902.18
October	\$ 179,177	\$ 43,567.56	\$ 213,702.98
November	\$ 204,415	\$ 54,992.53	\$ 245,119.25
December	\$ 183,672	\$ 44,699.55	\$ 220,628.27
Total	\$ 2,442,788.72	\$ 684,383.36	\$ 2,977,696.19

Referral Update
Comparison:

Referring Physicians:

		January - December 1998		12 months			
Name	Specialty	# of Referrals	\$ of Referrals	% of Referrals	% of Referrals	% Ownership	Type of Referral
A. Cruse, D.O.	Ortho	143	\$ 123,669.88	1.3%	3.4%		
G. Smith, D.O.	Ortho	175	\$ 157,009.72	1.7%	4.4%		
Tinker Air Force	Mix	478	\$ 259,854.77	4.5%	7.2%		
R. Langerman, O.D.	Ortho	76	\$ 70,431.16	0.7%	2.0%		
T. McDermott, D.O.	ER Med	32	\$ 30,540.20	0.3%	0.9%		W. Comp
H. Seradge, M.D.	Ortho	214	\$ 92,447.64	2.0%	2.6%		Arms/Hands
G.D. Casper, M.D.	Ortho	111	\$ 9,219.98	0.1%	0.3%		Spine
T. Ewing, D.O.	Ortho	231	\$ 13,194.54	0.2%	0.4%		
J. Rosacker, M.D.	Ortho	501	\$ 48,578.20	0.5%	1.4%		
J. Minter, D.O.	Ortho	0	\$ -	0.0%	0.0%		
J. Pardes, M.D.	ER Med	30	\$ 21,002.54	0.3%	0.6%		W. Comp
C. Codding, M.D.	Rheumatologist	312	\$ 102,381.21	2.9%	2.3%		
M. Woodward, M.D.	Fam. Med.	484	\$ 127,735.53	4.6%	3.6%		

Overall Totals 10602 \$ 3,592,776

247 referrals
deducted
from
Total Referrals
Year 1.

Referring Physicians:

		October '96 - May '97		8 months			
Name	Specialty	# of Referrals	\$ of Referrals	% of Referrals	% of Referrals	% Ownership	Type of Referral
A. Cruse, D.O.	Ortho	171	\$ 130,178.79	5.0%	5.0%		
G. Smith, D.O.	Ortho	163	\$ 124,705.00	4.7%	4.8%		
Tinker Air Force	Mix	310	\$ 112,145.45	9.0%	4.3%		
R. Langerman, O.D.	Ortho	94	\$ 75,342.00	2.7%	2.9%		
T. McDermott, D.O.	ER Med	88	\$ 67,808.00	2.6%	2.6%		W. Comp
H. Seradge, M.D.	Ortho	85	\$ 66,191.78	2.5%	2.5%		Arms/Hands
G.D. Casper, M.D.	Ortho	43	\$ 29,922.78	1.2%	1.1%		Spine
T. Ewing, D.O.	Ortho	100	\$ 50,621.40	2.9%	1.9%		
J. Rosacker, M.D.	Ortho	41	\$ 28,526.00	1.2%	1.1%		
J. Minter, D.O.	Ortho	97	\$ 49,613.98	2.8%	1.9%		
J. Pardes, M.D.	ER Med	74	\$ 47,718.00	2.1%	1.8%		W. Comp
C. Codding, M.D.	Rheumatologist	76	\$ 42,911.64	2.2%	1.6%		
M. Woodward, M.D.	Fam. Med.	190	\$ 42,653.87	5.5%	1.6%		

Overall Totals 3,443 \$2,612,081

Medical Imaging Center of Oklahoma
Oklahoma City, OK

Current Staffing

Employee	Employee #	Title	Earnings/Hour	Yearly Salary
Michelle Tyner	9028	MRI/CT Tech	23.06/hour	\$ 47,964.80
sa A. Stewart	9039	Mammo Tech	14.25/hour	\$ 29,640.00
ane Skinner	7005	Mammo Tech	14.00/hour	\$ 29,120.00
chele E. Fieck	9024	MRI/CT Tech	20.43/hour	\$ 42,494.40
auna L. Henderson	9054	Ultrasound Tech	20.00/hour	\$ 41,600.00
Macalan Taylor	5005	Business Manager	9.37/hour	\$ 19,489.60
arsha G. Bowling	5017	Transcriptionist	11.00/hour	\$ 22,880.00
ula Fulton	9027	Executive Director	Salary	\$ 75,000.00
Terri R. Douglas	9037	Coding/Data Entry	12.00/hour	\$ 12,480.00
enda L. Adams	2075	Coding /Data Entry	12.00/hour	\$ 12,480.00
umber M. Campbell	9059	Scheduler	8.00/hour	\$ 16,640.00
ancy J. Flinton	9025	Marketing	Salary	\$ 38,200.00
		Total		\$ 387,988.80
Seller has agreed to reduce salaries by \$30,000 prior to closing				\$357,988.80

Salary Adjustments in Proforma

Decrease in Salaries from the Annualized # of \$431,131 is due to the following employees
who are no longer employed by MICO, but salaries remain in the annualized salary number.

Bob Baldwin	Bus. Man	Salary	\$40,000.00
Replaced by Macalan Taylor w/ no increase in salary			\$19,489.60
Jane Inman	Head Tech	Salary	\$48,000.00
Replaced by Michele Fieck			\$42,494.00
Shelley O'Neal	Techn	\$19.72	\$41,017.00
Was not replaced			
Terri Crissup	Data Entry	\$9.00	18,720.00
Was not replaced			

ALSO, THERE IS \$106,650.97 RUNNING THROUGH THE ANNUALIZED SALARIES WHICH ARE BILLING EMPLOYEES. THIS COST HAS BEEN SHIFTED DOWN TO THE BILLING LINE ITEM IN VARIABLE EXPENSES.

MRJ of Okanogan Limited Partnership
Equipment

Ultrasound

Acuson 128 XP Computer Sonography Sys 12/31/93 \$13,000.00 Value \$40,000

It has the capability of performing 2-D imaging, Spectral Doppler, Color Doppler Imaging, Fetal M-mode, and obstetrical and vascular calculations. The resolution and clarity provides for clear visualization of the tissues being imaged. The system has a single viewing monitor which is attached to the complete unit.

Laerdal - Infant Rescue

11/12/93 284.26

DuPont Camera

1/30/95 4,411.95

Adv-Img CCD Camera

4/13/95 6,525.90

Transducer - Arterial Pressures

4/29/96 3,229.80

\$40,000

Upgrade/ New

Mammography

Varad MII 3/1/95 21,675.00 Value \$10,000

\$70,000

Basic screening Machine

25-40 KV

200MAS maximum

Moly target and filter

Aluminum filter for higher KV usage

Short source to image distance

Mammo processor

10/21/96 7,044.38 Value \$4,000

MRI

GE Sigma 1.5 Tesla

4/24/91 2,082,430.75 Value \$500,000

\$1,000,000

4x System with Mag Transfer and Phased Array

3/31/99

GE will be used

250,000 for

attack in ad

time to implement.

Medical Imaging of Oklahoma City	
Oklahoma City, OK	

Repair & Maintenance Overview

Modality	Contract	Current Cost	Year 1	Year 2 & 3	VRP
MRI	Yes	\$ 144,000.00	\$ 50,400.00	\$ 125,000.00	
CT	No: P&L	\$ 5,000.00	\$ 56,630.00	\$ 56,630.00	
MM	No: P&L	\$ 850.00	\$ 8,000.00	\$ 8,000.00	
U/S	Yes	\$ 13,700.00	\$ 13,700.00	\$ 15,000.00	
X-Ray	No: P&L	\$ 213.00	\$ 13,500.00	\$ 13,500.00	
Total		\$ 163,763.00	\$ 142,230.00	\$ 218,130.00	

116,000 MRI
 60,000 CT
 36,000 OTHER (MM, US, X-R)
212,000 YR 2 P&L D. T. Y. N. E. 2-5v